

Sunsuper Pension Options
Annual report
2008-2009



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Board report

The Board is pleased to present the Sunsuper Annual report for the financial year ended 30 June 2009.

The past 12 months has been a particularly challenging year for all superannuation funds and certainly the year for Sunsuper was no different. Despite the difficult investment conditions experienced throughout the year, the Fund's discipline in maintaining its nerve and focus has seen our performance for the year place us amongst the leading funds in the nation.

Periods such as this year provide challenges for all businesses and within our industry, like many others, many have suffered deeply in these times. Sunsuper however, has continued to develop and bring to market a number of leading initiatives, while maintaining very high levels of member satisfaction and strong growth in terms of new members and contributions. These achievements in challenging times serve as testament to Sunsuper's strength and capability.

One example of our ability to respond to challenges came through the acquisition of our administrator following the sale of CSA Retirement Services by their parent organisation. Our financial strength and forward planning allowed us to act positively to protect the interests of our members and secure this business, now named Precision Administration Services. The integration of the skills, expertise and organisational cultures of Precision and Sunsuper seeks to provide enormous benefits for Sunsuper into the future and has allowed Sunsuper to create an opportunity from a challenge many other lesser positioned funds would have struggled to negotiate.

Early in the year Sunsuper was named AFR Smart Investor Magazine's Industry Fund of the Year. This prestigious award was followed with the equally well regarded SuperRatings

Pension Fund of the Year title. The recognition from independent evaluators that awards such as these provide is obviously very pleasing but importantly gives our members and employers great confidence in the Fund and in their decision to trust us with their retirement savings.

Looking ahead

Our strategic planning for the future will continue to concentrate our efforts on providing high quality service, optimising members' retirement benefits, keeping operational costs low to maximise profit for members, and developing viable retirement income solutions for those entering retirement.

One of the most exciting developments for the year ahead will be the roll-out of our *On Track* program, a market leading initiative to make professional financial advice more accessible and relevant for those entering the second half of their working life and moving through and then into retirement. We firmly believe *On Track* will set a new industry benchmark for the way advice is delivered to everyday Australians and will improve the future financial wellbeing of many of our members.

As the global economy emerges from the challenges of the last 18 months we will continue to pursue new investment opportunities in order to support strong long-term performance.

The Board would like to take this opportunity to thank Chief Executive Officer, Tony Lally, his senior management team and all the staff of both Sunsuper and Precision Administration Services for their outstanding performance during this challenging year.

Investment options

We recognise that choosing the right investment option or options can make a big difference to your retirement income and that choosing the right investment option or options depends on your personal circumstances and your retirement goals.

For Sunsuper pension members we have identified four broad investment profiles:

- **Growth** – Investors who want to generate wealth over the long-term,
- **Balanced** – Investors who want to generate wealth over the medium to long-term, while being sensitive to the relative performance of other large Australian superannuation funds,
- **Retirement** – Investors who want to generate wealth over the medium to long-term, while providing some reduction to the volatility of returns in the short-term, and
- **Conservative** – Investors who seek less volatile returns for their super while maintaining some growth exposure. Using their money in the short-term is likely to be their main purpose.

We offer four investment options to match each of these four broad investment profiles. However we also recognise that not everyone fits into these broad profiles and therefore we offer a range of other single asset class investment options.

For more details on the investment options, refer to the panels on pages 4 to 9.

Changes to the investment options

Throughout the year we reviewed our investment options and changed the investment options offered in Sunsuper Pension Options. From 1 May 2009 new investors could select from the 13 options shown on pages 4 to 8. The remaining options closed on 30 June 2009.

We have also renamed the Sunsuper Moderate option to be the Sunsuper Retirement option and renamed the SSgA Australian Cash option to be the Sunsuper Cash option.

Investment objectives and strategies

Sunsuper's overall investment objectives are:

- to maximise the real long-term investment returns (after investment fees) subject to the expected risk profiles for each investment option,
- to implement an investment manager configuration for each investment option which will in the long-term outperform the benchmark return and peer groups,
- to avoid exposing each investment option to inappropriate risk through diversification of investments and of managers, and
- to maintain sufficient liquid assets so as to pay all benefit and expense obligations in full when due.

The investment objectives and investment mix for each of the investment options are set out in the tables on pages 4 to 8.

About the Sunsuper investment options available from 1 July 2009

In Sunsuper Pension Options we offer nine options where Sunsuper makes the investment mix decisions and selects the investment managers, including the Sunsuper Retirement option which is tailored to better meet the needs of members in or nearing retirement.

For these options, Sunsuper has adopted a philosophy of active investment management. This is reflected in the range of investment managers selected by Sunsuper and its investment consultant after considering a broad range of information sources.

We have a strong belief that this approach will result in returns higher than returns from index managers, even after active management fees are taken into account. Index managers aim to replicate the performance of a broad market index.

In addition to expecting our managers to outperform their benchmarks through active management, we expect all of our managers to:

- have world-class professional investment processes,
- complement each other's processes and styles, and
- be cost effective.

For the Sunsuper diversified options we aim to reduce investment risk by diversifying across both asset classes and manager styles.

For the Sunsuper single asset class options, we aim to reduce investment risk by diversifying across manager styles.

About the external manager options available from 1 July 2009

Sunsuper Pension Options offers four external manager options where the external manager makes the investment mix decisions.

Each of these options are single manager (where there is only one manager with one investment style) options and have adopted a philosophy of index (also known as passive, which aims to replicate the performance of the index) or enhanced index (which uses an index approach but targets minor levels of outperformance through low-risk active management techniques) investment management.

Sunsuper and its investment consultants have sourced leading investment managers for these options.

For more information on our investment options refer to the Sunsuper Pension Options *Member guide*.

How we calculate your balance

Your account balance is calculated by multiplying the number of units you have in each investment option by the unit price for each option. As the unit prices are calculated on a daily basis, the value of your account may change daily.

Is your investment guaranteed?

Except for the Sunsuper Capital Guaranteed option, the movement in unit prices, the repayment of capital and the performance of any investment option are not guaranteed. Investing in a specific option does not give any entitlement to assets underlying that investment option.

For more details on the Sunsuper Capital Guaranteed option, refer to page 8.

Use of derivatives in the Fund

Sunsuper's policy is to allow our investment managers to use derivatives, such as futures, options and swaps, to achieve their investment objectives, particularly for the purpose of managing risk. However, the managers must operate within specific guidelines.

Our investment managers who invest in derivatives must adopt a Derivative Risk Statement that is acceptable to SunsUPER. This statement sets out the use of derivatives and the controls in place to protect against improper use of derivatives.

Investment fees and costs

All superannuation funds incur investment fees to cover the costs of investing and managing investments for their members. In line with our profit-for-members philosophy, SunsUPER does not profit from investment fees.

We report the investment fee in two components, the base fee and the performance fee. These are calculated as a percentage of the total assets managed in each investment option.

The actual investment fee for each investment option for the 2008/2009 financial year, is shown in the tables on pages 4 to 9. Some investment managers for the 2008/2009 financial year have been paid a performance fee as a result of outperforming their performance targets.

SunsUPER believes paying performance fees to its investment managers encourages sustained investment performance and avoids rewarding investment managers for underperformance. If an investment manager who has the potential to earn a performance fee underperforms their performance target, the investment manager needs to overcome their underperformance in future periods before another performance fee can be earned.

What are buy/sell spreads?

Buy/sell spreads are costs charged by the investment managers for transaction costs incurred in buying and selling the underlying assets of an investment option. When money is invested in an investment option, the entry unit price includes a buy spread and is used to buy units. When money is withdrawn from an investment option, the exit unit price includes a sell spread and is used to sell units. For some investment options, this cost is passed on to you. We do not add a margin to the buy/sell spreads charged by the investment managers. The buy/sell spreads as at 30 June 2009 are shown in the tables on pages 4 to 8.

The buy/sell spreads may vary from time to time to reflect the buy/sell spreads charged by the relevant investment managers.

For any investment option which has a nil sell spread, we may, at our discretion, apply a sell spread (which reduces the unit price) if a SunsUPER employer requests either:

- all or part of the assets invested in an investment option within the plan account to be switched to another investment option, or
- a withdrawal from SunsUPER in order to transfer funds to another superannuation plan or fund.

The sell spread will be equal to the estimated sale cost of the underlying assets. When a sell spread is used, this will be an additional cost to members of that particular plan.

Estimated base and performance fees for 2009/2010

The investment option tables on pages 4 to 8 also show the estimated base fees and the estimated performance fees for 2009/2010.

These are our best estimates based on recent experience and our current long-term expectations for ongoing investment costs. Performance fees are difficult to predict because the level of out-performance by the managers is difficult to predict. The performance fee may exceed the estimate.

We monitor the ongoing investment costs and for each investment option the investment fees deducted will not be more than the actual investment costs incurred but may differ from our estimates, for example, due to changes in the investment manager mix or investment manager fees. We will let you know the actual investment fees at the end of the 2009/2010 financial year.

Diversified options

Sunsuper Growth

INVESTMENT OBJECTIVES

Investment in: A wide variety of asset classes to gain the benefits of diversification. It primarily invests in Australian and international shares for exposure to economic growth.

Style: Multi-manager, active.

What is it for? This investment option is designed for members who want to generate wealth over the long-term.

Primary performance objective: Beat inflation by 5.5% p.a. over periods of 7 to 10 years after investment fees.

Expected outcome:

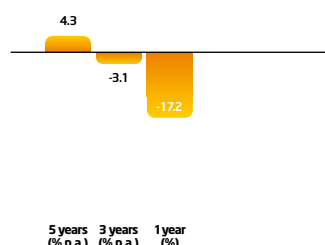
- Positive returns expected in 4 out of 5 years on average over the long-term.
- Outperform the median of similar super funds over periods of 5 to 7 years.
- Moderate to high volatility of returns in the short-term.

ASSET ALLOCATION

	Investment mix 30/6/09	Investment mix 30/6/08	Benchmark %	Allowable range%
Australian shares	27.2	27.2	30	0-50
International shares	29.5	32.0	30	0-50
Private capital	11.8	9.3	10	0-20
Property	8.9	8.2	10	0-30
Infrastructure	9.1	9.7	10	0-30
Fixed interest	0.8	0.9	0	0-20
Hedge funds	11.6	10.9	10	0-20
Cash	1.1	1.8	0	0-20

INVESTMENT RETURNS¹

For the periods ending 30 June 2009



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.65% p.a.
Performance fee: 0.07% p.a.

Actual fee for 2008/09

Base fee: 0.65% p.a.
Performance fee: 0.21% p.a.
Buy/sell spread: nil

Sunsuper Balanced

INVESTMENT OBJECTIVES

Investment in: A wide variety of asset classes to gain the benefits of diversification. It has a large allocation to Australian and international shares for exposure to economic growth.

Style: Multi-manager, active.

What is it for? This investment option is designed for members who want to generate wealth over the medium to long-term, while being sensitive to the relative performance of other large Australian superannuation funds.

Primary performance objective: Outperform the median of similar super funds over periods of 5 to 7 years.

Expected outcome:

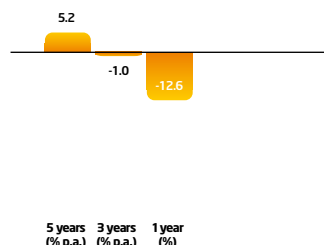
- Positive returns expected in 5 out of 6 years on average over the long-term.
- Beat inflation by 4.5% p.a. over the long-term after investment fees.
- Moderate volatility of returns in the short-term.

ASSET ALLOCATION

	Investment mix 30/6/09	Investment mix 30/6/08	Benchmark %	Allowable range%
Australian shares	28.7	28.8	30	0-50
International shares	24.9	26.0	25	0-50
Private capital	8.4	7.4	7.5	0-15
Property	7.0	5.9	7.5	0-30
Infrastructure	7.1	7.3	7.5	0-30
Fixed interest	12.8	10.7	13	0-25
Hedge funds	8.2	9.0	7.5	0-25
Cash	2.9	4.9	2	0-25

INVESTMENT RETURNS¹

For the periods ending 30 June 2009



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.55% p.a.
Performance fee: 0.07% p.a.

Actual fee for 2008/09

Base fee: 0.54% p.a.
Performance fee: 0.16% p.a.
Buy/sell spread: nil

Sunsuper Retirement

INVESTMENT OBJECTIVES

Investment in: A wide variety of asset classes to gain the benefit of diversification and may employ option strategies from time to time to reduce the impact of share market falls.

Style: Multi-manager, active.

What is it for? This investment option is designed for members who are close to, or have reached retirement. It is structured to generate wealth over the medium to long-term, while providing some reduction to the volatility of returns in the short-term.

Primary performance objective: Beat inflation by 4.0% p.a. over 5 years after investment fees.

Expected outcome:

- Positive returns expected in 8 out of 9 years on average over the long-term.
- Low to moderate volatility of returns in the short-term.
- Outperform the median of similar super funds over periods of 5 to 7 years.

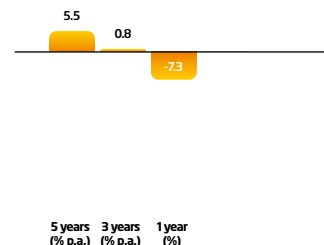
Sunsuper Retirement was previously called Sunsuper Moderate.

ASSET ALLOCATION

	Investment mix 30/6/09	Investment mix 30/6/08	Benchmark %	Allowable range%
Australian shares	23.1	19.0	20	0-30
International shares	15.9	16.9	18	0-30
Private capital	4.4	3.5	3.5	0-10
Property	8.5	6.3	6	0-25
Infrastructure	8.4	6.0	6	0-25
Fixed interest	26.3	29.9	29	0-50
Hedge funds	7.4	7.3	7.5	0-15
Cash	6.0	11.1	10	0-25

INVESTMENT RETURNS¹

For the periods ending 30 June 2009



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.55% p.a.
Performance fee: 0.07% p.a.

Actual fee for 2008/09

Base fee: 0.48% p.a.
Performance fee: 0.14% p.a.
Buy/sell spread: nil

¹ Past performance is not a reliable indication of future performance. Returns are for the year ended 30 June 2009 and are after investment fees have been deducted.

² It is important to read the information on page 3. Buy/Sell spreads are as at 30 June 2009.

Single asset class options

Sunsuper Conservative

Investment in: A diversified mixture of assets, with an emphasis on fixed interest and cash assets.

Style: Multi-manager, active.

What is it for? This investment option is designed for members who seek less volatile returns for their super while maintaining some growth exposure. Using your money in the short-term is likely to be your main purpose.

Primary performance objective: Returns after investment fees that are 1.0% p.a. above the UBS Australia Bank Bill Index over rolling periods of 2 to 5 years.

Expected outcome:

- Beat inflation by 3.5% p.a. over the long-term after investment fees.
- Positive returns expected in 19 out of 20 years on average over the long term.
- Low levels of volatility from year to year.
- Outperform the median of similar super funds over periods of 5 to 7 years.

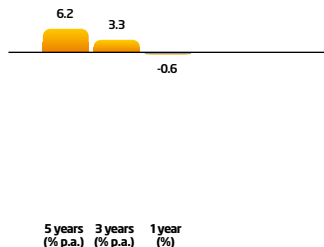
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Investment mix 30/6/09	Investment mix 30/6/08	Benchmark %	Allowable range%
Australian shares	10.1	9.4	10	0-15
International shares	10.0	9.2	10	0-15
Property	4.7	5.2	5	0-20
Infrastructure	5.0	4.9	5	0-20
Fixed interest	44.8	45.7	45	0-50
Hedge funds	7.5	7.2	7.5	0-15
Cash	17.9	18.4	17.5	0-100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.40% p.a.
Performance fee: 0.07% p.a.

Actual fee for 2008/09

Base fee: 0.42% p.a.
Performance fee: 0.10% p.a.
Buy/sell spread: nil

Sunsuper Australian Shares

Investment in: Australian shares.

Style: Multi-manager, active.

Performance benchmark: S&P/ASX 300 Accumulation Index.

Performance objective: Beat the performance benchmark by 1-2% p.a. over rolling 5 years.

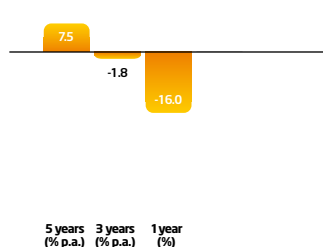
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Benchmark %
Australian shares	100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.35% p.a.
Performance fee: 0.05% p.a.

Actual fee for 2008/09

Base fee: 0.33% p.a.
Performance fee: 0.18% p.a.
Buy/sell spread: nil

SSgA Australian Equities Index

Investment in: Australian shares.

Style: Single-manager, index.

Performance benchmark: S&P/ASX 200 Accumulation Index.

Performance objective: Closely match the returns of the performance benchmark, before fees.

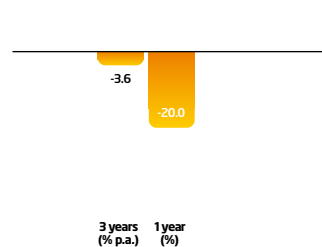
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Benchmark %
Australian shares	100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.15% p.a.
Performance fee: n/a

Actual fee for 2008/09

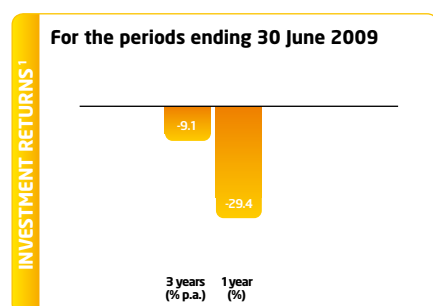
Base fee: 0.15% p.a.
Performance fee: n/a
Buy/sell spread: 0.10% / 0.12%

Single asset class options (continued)

SSgA Global Index Plus (hedged)

INVESTMENT OBJECTIVES	Investment in: International shares.
	Style: Single-manager, enhanced index.
	Performance benchmark: MSCI World Ex-Australia Net in \$A (hedged).
	Performance objective: Beat the performance benchmark by 0.75% to 1% p.a. over rolling 3 year periods.
INVESTMENT OBJECTIVES	Currency: Hedged.

ASSET ALLOCATION		Benchmark %
	International shares	100

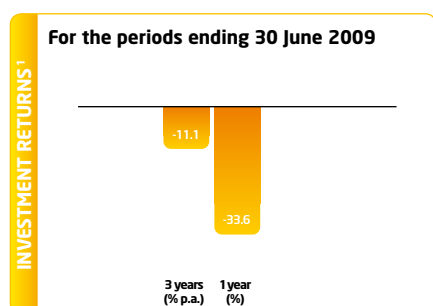


INVESTMENT FEE \$ ²	Estimated fee for 2009/10
	Base fee: 0.25% p.a. Performance fee: n/a
INVESTMENT FEE \$ ²	Actual fee for 2008/09
	Base fee: 0.25% p.a. Performance fee: n/a Buy/sell spread: 0.30%/0.35%

Sunsuper International Shares

INVESTMENT OBJECTIVES	Investment in: International shares.
	Style: Multi-manager, active.
	Performance benchmark: S&P Global Broad Market Index in \$A (hedged).
	Performance objective: beat the performance benchmark by 1–2% p.a. over rolling 5 years.
INVESTMENT OBJECTIVES	Currency: Combination of hedged and unhedged.
	It may not be possible for this product to be 100% currency hedged at all times. Up to 25% of the overseas currency exposure may be unhedged at any point in time.

ASSET ALLOCATION		Benchmark %
	International shares	100

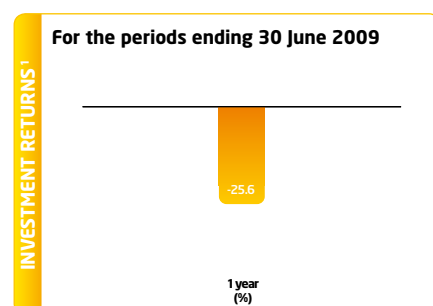


INVESTMENT FEE \$ ²	Estimated fee for 2009/10
	Base fee: 0.60% p.a. Performance fee: 0.05% p.a.
INVESTMENT FEE \$ ²	Actual fee for 2008/09
	Base fee: 0.62% p.a. Performance fee: 0.01% p.a. Buy/sell spread: nil

Sunsuper Property

INVESTMENT OBJECTIVES	Investment in: Australian and international property.
	Style: Multi-manager, active.
	Performance benchmark: 50% S&P/ASX 200 A-REIT Index plus 50% FTSE EPRA/NAREIT Global REIT \$A (hedged).
	Performance objective: Beat the performance benchmark over rolling 5 years.
INVESTMENT OBJECTIVES	Currency: Hedged.
	Additional information: To gain exposure to a wide range of property assets. Sunsuper Property invests in listed and unlisted Australian and international property funds.

ASSET ALLOCATION		Benchmark %
	Property	100



INVESTMENT FEE \$ ²	Estimated fee for 2009/10
	Base fee: 0.90% p.a. Performance fee: 0.02% p.a.
INVESTMENT FEE \$ ²	Actual fee for 2008/09
	Base fee: 0.86% p.a. Performance fee: 0.04% p.a. Buy/sell spread: nil

¹ Past performance is not a reliable indication of future performance. Returns are for the year ended 30 June 2009 and are after investment fees have been deducted.

² It is important to read the information on page 3. Buy/Sell spreads are as at 30 June 2009.

SSgA Australian Listed Property Index

Investment in: Australian Listed Property.
Style: Single-manager, index.
Performance benchmark: S&P/ASX 200 A-REIT Index.
Performance objective: Closely match the returns of the performance benchmark, before investment fees.

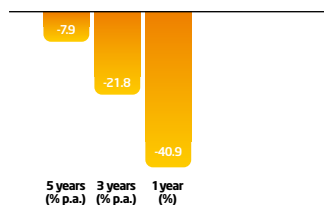
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Benchmark %
Property	100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.15% p.a.
Performance fee: n/a

Actual fee for 2008/09

Base fee: 0.15% p.a.
Performance fee: n/a
Buy/sell spread: 0.10%/0.13%

SSgA Global Fixed Income Index

Investment in: Fixed Interest.
Style: Single-manager, index.
Performance benchmark: Citigroup World Government Bond Index Ex-Australia \$A (hedged).
Performance objective: Closely match the returns of the performance benchmark, before investment fees.
Currency: Hedged.

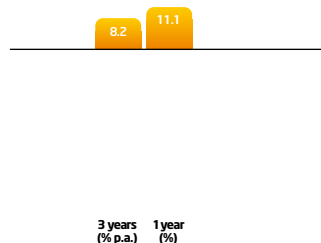
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Benchmark %
Fixed interest	100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.15% p.a.
Performance fee: n/a

Actual fee for 2008/09

Base fee: 0.15% p.a.
Performance fee: n/a
Buy/sell spread: 0.06%/0.26%

Sunsuper Cash

Investment in: Cash
Style: Single-manager or multi-manager, enhanced index.
Performance benchmark: UBS Australia Bank Bill Index.
Performance objective: Match or exceed the returns of the performance benchmark, before investment fees
Sunsuper Cash was previously called SSgA Australian Cash.

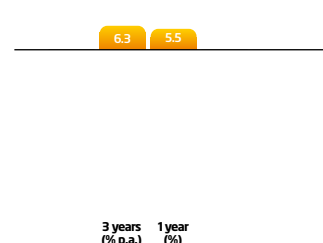
INVESTMENT OBJECTIVES

ASSET ALLOCATION

	Benchmark %
Cash	100

For the periods ending 30 June 2009

INVESTMENT RETURNS¹



INVESTMENT FEE \$²

Estimated fee for 2009/10

Base fee: 0.12% p.a.
Performance fee: n/a

Actual fee for 2008/09

Base fee: 0.14% p.a.
Performance fee: n/a
Buy/sell spread: nil

Single asset class options (continued)

Sunsuper Capital Guaranteed

Investment in: A mixture of cash deposits with Authorised Deposit-taking Institutions (ADIs) and investments in capital guaranteed superannuation products.

Style: Active, multi-manager.

Performance benchmark: UBS Australia Bank Bill Index (after an allowance for investment tax).

Performance objective: The option is designed to provide:

- Full security of capital,
- Modest returns over the medium to long-term, and
- Target performance (after investment tax and investment fees) is the return of the UBS Australia Bank Bill Index (after investment tax) over rolling five year periods.

Additional information: Where investments are made into capital guaranteed superannuation products issued by life insurance companies or banks, the capital guarantee is provided by the issuing life company or bank. Sunsuper itself does not guarantee the security of capital.

The Capital Guaranteed option is quite different from other investment options. While the capital value is guaranteed by the issuing life insurance companies or banks not to fall, the trade-off with this guarantee is that your longer-term returns may be lower than some less conservative options. This may limit the chances of achieving your financial goals. You should consider seeking financial advice on alternative investment arrangements before investment in the option arrangements before investing in this option.

In some unfavourable market conditions, we reserve the right to restrict switches and benefit payments from the capital guaranteed option.

INVESTMENT OBJECTIVES

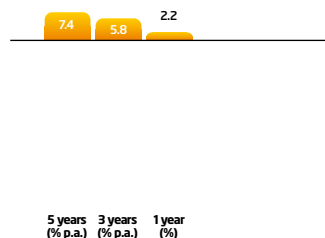
ASSET ALLOCATION

Benchmark %

Deposits with ADIs
and Capital Guaranteed
Investment 100

INVESTMENT RETURNS¹

For the periods ending 30 June 2009

INVESTMENT FEES²

Estimated fee for 2009/10

Base fee: 0.60% p.a.
Performance fee: nil

Actual fee for 2008/09

Base fee: 0.48% p.a.
Performance fee: nil
Buy/sell spread: nil

Closed options

The following options closed to new pension investments on 1 May 2009 and to all pension investments on 30 June 2009.

AMP Capital's Multi-Manager Growth

INVESTMENT RETURNS¹ AND FEES²

For the periods ending 30 June 2009

5 years: n/a
3 years: n/a
1 year: 21.1% p.a.
(commenced August 2006)

Actual fee for 2008/09

Base fee: 0.70% p.a.
Performance fee: 0.06% p.a.

Sunsuper All Shares

INVESTMENT RETURNS¹ AND FEES²

For the periods ending 30 June 2009

5 years: 2.9% p.a.
3 years: -5.8% p.a.
1 year: -18.0% p.a.

Actual fee for 2008/09

Base fee: 0.49% p.a.
Performance fee: 0.12% p.a.

Sunsuper International Shares (unhedged)

INVESTMENT RETURNS¹ AND FEES²

For the periods ending 30 June 2009

5 years: -2.3% p.a.
3 years: -10.8% p.a.
1 year: -19.7% p.a.

Actual fee for 2008/09

Base fee: 0.60% p.a.
Performance fee: 0.07% p.a.

Sunsuper Fixed Interest

INVESTMENT RETURNS¹ AND FEES²

For the periods ending 30 June 2009

5 years: 7.9% p.a.
3 years: 8.2% p.a.
1 year: 10.4% p.a.

Actual fee for 2008/09

Base fee: 0.32% p.a.
Performance fee: nil

¹ Past performance is not a reliable indication of future performance. Returns are for the year ended 30 June 2009 and are after investment fees have been deducted.

² It is important to read the information on page 3. Buy/Sell spreads are as at 30 June 2009.

AMP Capital's Multi-Manager Balanced

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: -4.5% p.a.
 1 year: -18.9% p.a.
 (commenced May 2006)

Actual fee for 2008/09
 Base fee: 0.70% p.a.
 Performance fee: 0.14% p.a.

AMP Capital's Responsible Investment Leaders Balanced

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: n/a
 1 year: -10.7% p.a.
 (commenced January 2007)

Actual fee for 2008/09
 Base fee: 0.65% p.a.
 Performance fee: 0.01% p.a.

QIC Growth

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: 5.9% p.a.
 3 years: -0.2% p.a.
 1 year: -8.7% p.a.

Actual fee for 2008/09
 Base fee: 0.52% p.a.
 Performance fee: 0.09% p.a.

SSgA Passive Balanced

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: -3.3% p.a.
 1 year: -11.9% p.a.

Actual fee for 2008/09
 Base fee: 0.16% p.a.
 Performance fee: n/a

Maple-Brown Abbott Australian Shares

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: 7.2% p.a.
 3 years: -0.4% p.a.
 1 year: -11.3% p.a.

Actual fee for 2008/09
 Base fee: 0.41% p.a.
 Performance fee: n/a

AMP Capital Equity Fund

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: -2.3% p.a.
 1 year: -17.8% p.a.

Actual fee for 2008/09
 Base fee: 0.60% p.a.
 Performance fee: n/a

QIC International Equities (unhedged)

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: -12.3% p.a.
 1 year: -21.3% p.a.
 (commenced October 2005)

Actual fee for 2008/09
 Base fee: 0.74% p.a.
 Performance fee: 0.27% p.a.

SSgA Global Index Plus (unhedged)

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: -1.7% p.a.
 3 years: -8.9% p.a.
 1 year: -11.7% p.a.

Actual fee for 2008/09
 Base fee: 0.25% p.a.
 Performance fee: n/a

AMP Capital's Multi-Manager Emerging Markets

INVESTMENT RETURNS¹ AND FEES²
For the periods ending 30 June 2009
 5 years: n/a
 3 years: n/a
 1 year: -10.0% p.a.

Actual fee for 2008/09
 Base fee: 0.91% p.a.
 Performance fee: nil

Investment managers

Investment manager	Asset classes	Total (\$mil)
AMP ¹	Australian Shares, International Shares ² , Private Equity, Opportunistic Property, Property, Infrastructure, Fixed Interest, Cash, Capital Guaranteed	2,041.7
Access Capital	Infrastructure, Fixed Interest	294.4
Acorn Capital	Australian Shares	81.6
Axa	Capital Guaranteed	88.0
Balanced Equity Management	Australian Shares	779.1
Barwon Investment Partners	Private Equity	36.9
Bridgewater	Hedge Funds	101.2
Colonial First State	Opportunistic Property, Property, Infrastructure, Hedge Funds	294.3
Everest Financial Group	Hedge Funds	184.2
Fortis	Australian Shares	476.0
GMO	International Shares, Infrastructure, Hedge Funds	512.6
Hastings	Private Equity, Infrastructure	175.6
Invesco	Australian Shares	78.6
Lazard	International Shares	220.1
Lazard Carnegie Wylie	Private Equity	193.6
Macquarie	Private Equity, Property	146.1
Makena	International Shares, Private Equity, Property, Fixed Interest, Hedge Funds, Cash	503.5
Maple-Brown Abbott	Australian Shares	597.5
MIR	Australian Shares	350.8
Morgan Stanley	Fixed Interest	591.4
Northward	Australian Shares	336.8
Pareto	Currency Overlay	34.9
Pimco	Fixed Interest	48.8
QIC ¹	Australian Shares, International Shares, Private Equity, Property, Fixed Interest, Cash, Rebalancing Overlay	512.9
Quest	Australian Shares	352.1
State Street Global Advisors ¹	Australian Shares, International Shares, Property, Fixed Interest, Cash	1,522.1
Suncorp	Capital Guaranteed	80.5
TCW	Private Equity, Fixed Interest	452.2
Tribeca	Australian Shares, Hedge Funds	376.1
Trinity	Property	85.6
Wellington	Fixed Interest	252.6
Wilshire	Private Equity	30.1
Winton Capital	Hedge Funds	58.9
Other	Private Equity, Opportunistic Property, Property, Infrastructure, Fixed Interest, Hedge Funds, Cash	905.1
Total		12,795.9

¹ These managers also invest in multi-asset class portfolios.

² Assets managed by Alliance Bernstein, Alliance Capital, Arrowstreet, Axa Rosenberg, Baillie Gifford, Colonial First State, Genesis, GMO, Ironbridge, Morgan Stanley, Rothschild and THS Partners.

Professional advisers

Administrator	Precision Administration Services Pty Ltd*
Custodian	National Australia Bank Ltd
Auditor	Deloitte Touche Tohmatsu
Investment Consultants	Mercer Human Resources Pty Ltd Sovereign Investment Research Pty Ltd
Lawyers	Corrs Chambers Westgarth
Actuaries	Jan Brewer and Shane Mather (Fellows of the Institute of Actuaries of Australia)

*Precision Administration Services is a wholly owned subsidiary of Sunsuper Pty Ltd.

Reserves

The Trustee maintains a reserve in the Fund for the benefit of members.

The reserve is maintained to:

- help meet the expenses of running the Fund,
- support the timing differences in respect of actual investment tax and investment fees and the investment tax and fees charged to members, and
- provide reserves for the management of the operating risks of the Fund.

The Trustee does not maintain the reserve for the purpose of smoothing investment earnings. Members' accounts are credited or debited with the actual earnings of their selected investment options.

The reserves may invest in the following:

- Sunsuper Balanced option
- Less volatile investments including cash where there are known significant short-term liabilities such as tax
- Any other investments directly approved by the Trustee that do not impact on the prudential management of the reserves over the past 5 years, Sunsuper's reserves have been:

Year ending 30 June	2009	2008	2007	2006	2005
Reserves (\$mil)	106.9	152.1	124.0	104.7	105.2

The reserve is included in 'Net assets available to pay benefits' as disclosed in the Statement of Financial Position on page 13 of this report.

The Board

The Trustee of the Sunsuper Superannuation Fund is Sunsuper Pty Ltd (ABN 88 010 720 840), which is licensed by the Australian Prudential Regulation Authority (APRA) under a Registrable Superannuation Entity (RSE) licence and holds an Australian Financial Services Licence (AFSL) from the Australian Securities and Investments Commission (ASIC).

The Trustee is responsible for managing the Fund, and ensures it operates in the best interests of all members and continues to comply with all legal requirements.

Sunsuper Pty Ltd has a Board of Directors comprising equal numbers of employer and employee representatives. As at 30 June 2009, the representatives on the Board were:

Member representatives	Appointed by
John Battams (Chair)	Qld Council of Unions
Bill Ludwig	Australian Workers Union of Employees Qld
Ron Monaghan ¹	Qld Council of Unions
Employer representatives	Appointed by
Peter Annand ¹	Qld Chamber of Commerce and Industry Limited
Graham Drummond ¹	Qld Chamber of Commerce and Industry Limited
Graham Heilbronn	Qld Chamber of Commerce and Industry Limited

¹ Members of the Audit, Compliance and Risk Management Committee as at 30 June 2009.

Replacement representatives are appointed by the same employer or union body to ensure there is always equal representation of employees and employers.

The Audit, Compliance and Risk Management Committee of the Board is responsible for reporting to and advising the Board on audit, compliance and risk management issues. The members of the Audit, Compliance and Risk Management Committee are appointed by the Board. All members must be Directors of the Trustee, except for the Audit Committee Financial Expert who can be an external, non-Board member. The current Audit Committee Financial Expert is Marian Micalizzi.

Sunsuper has developed and implemented a comprehensive risk management program, which focuses on the identification, analysis, evaluation, treatment, monitoring and communication of risks. The risk management program is maintained and monitored by an experienced and independent risk manager, and is subject to an annual independent audit by Sunsuper's external auditor.

All Board members are members of the Investment Committee.

Compliance

Sunsuper complies

Sunsuper is a regulated fund under the Superannuation Industry (Supervision) Act 1993 (SIS), and has been a complying fund since inception in 1987. Sunsuper was granted an RSE licence by the Australian Prudential Regulation Authority (APRA) on 21 October 2005.

It is the Trustee's responsibility to ensure that Sunsuper meets its licensing obligations, including compliance with the RSE licensee laws and the maintenance of a risk management strategy and plan. As a result, Sunsuper members benefit from the lower tax rates that apply to complying funds. The Trustee lodges a return each year with APRA indicating the Fund's compliance with relevant legislation, including SIS.

As an Australian Financial Services licensee, Sunsuper must also have arrangements in place to ensure that it complies with its licensee obligations as determined by the Australian Securities and Investment Commission (ASIC). These obligations relate to conduct and disclosure; the provision of financial services; the competence, knowledge and skills of its responsible officers, as well as their good fame and character; the training and competence of its staff and representatives; and dispute resolution and compensation arrangements. Sunsuper has planned and implemented compliance measures, processes and procedures to ensure it meets the obligations.

Further information

Further information to help you understand your benefits or entitlements, the main features of the Fund, the management and financial condition of the Fund, the Fund's investment performance or investment strategies, is available by calling us on 13 11 84 or visiting sunsuper.com.au.

Liability insurance

The Trustee has a Trustee Professional Indemnity Insurance policy that provides appropriate and adequate cover.

Superannuation surcharge

This surcharge was abolished from 1 July 2005, however, surcharge amounts may have been advised by the ATO and been deducted from members' accounts during the 2008/2009 year. Sunsuper as the Trustee is responsible for the collection and the remittance of these amounts to the ATO and will deduct any surcharge payable from your account.

Dispute Resolution

If you are unhappy with us, we offer a complaint resolution process at no cost to you. Contact us to discuss your complaint:

Customer Service Hotline: 13 11 84
Customer Service Fax: 07 3016 7722

Sunsuper Complaints Officer:
GPO Box 2924 Brisbane Qld 4001

Web: sunsuper.com.au.

If you are still not happy or Sunsuper has not responded within 90 days, you can contact the Superannuation Complaints Tribunal (SCT). This is an independent body set up by the Federal Government to help resolve complaints through conciliation.

They may be contacted by writing to:

The Secretariat Superannuation Complaints Tribunal

Locked Bag 3060 GPO
Melbourne Vic 3001

Phone: 1300 780 808

Important information you should know about making a complaint to the SCT

The scope of matters that the SCT can deal with is limited by legislation, and it is possible that the SCT cannot deal with the matter. The SCT will advise you if they can deal with a complaint, and if so, what information is required.

The SCT can only deal with complaints where:

- The complainant is a member or former member of Sunsuper, or a person acting on behalf of a member or former member of his/her estate,
- The complaint relates to a Trustee decision or action in respect of a particular member of the fund, not the general management of the fund, and
- The complaint has first been dealt with under Sunsuper's internal complaint resolution procedures.

Access to the SCT is free of charge.

Financial statements

The detailed financial statements identify:

- all contributions to the Fund,
- where the Fund's money was invested and how much income it earned,
- expenses the Fund paid,
- the amount of money left in the Fund to pay future benefits, and
- the amount the Fund paid out in benefits.

The Trustee is satisfied that the following abridged financial information derived from the audited Financial Statements of the Fund represents a true and accurate record of changes in the Fund's net assets during the year to 30 June 2009 and the net assets as at 30 June 2009. Audited Financial Statements and the Independent Report by the Fund's auditors are available to members on request.

STATEMENT OF NET ASSETS for the year ended 30 June	2009 \$000	2008 \$000
Investments		
Cash and cash equivalents	2,538,272	1,843,122
Fixed interest securities	1,389,885	1,579,586
Australian equities	3,489,181	3,898,287
International equities	2,183,854	2,393,855
Property	633,864	748,272
Alternative assets	2,560,885	2,832,888
Total investments	12,795,941	13,296,010
Other assets		
Cash at bank	33,976	46,716
Contributions receivable	127,400	130,443
Other receivables	26,893	14,309
Plant and equipment	3,785	5,118
Intangible assets	4,157	1,457
Deferred tax asset	164,708	8,738
Total other assets	360,919	206,781
Total assets	13,156,860	13,502,791
Liabilities		
Benefits payable	84,965	52,929
Other payables	38,770	119,042
Provision for employee benefits	1,102	805
Current tax liabilities	173,184	297,605
Deferred tax liabilities	19,155	13,451
Total liabilities	317,176	483,832
Net assets available to pay benefits	12,839,684	13,018,959

STATEMENT OF CHANGES IN NET ASSETS for the year ended 30 June	2009 \$000	2008 \$000
Revenue from ordinary activities		
Net investment revenue		
Interest	126,100	92,506
Dividends and distributions	484,218	603,368
Rental and other investment income	26,801	27,313
Changes in net market value of investments	(2,297,570)	(1,534,995)
Less: Direct investment expenses	(60,453)	(45,393)
Contribution revenue		
Employer contributions	1,800,152	1,699,289
Member contributions	232,301	336,709
Transfers from other funds	517,162	554,391
Other revenue		
Group life insurance rebate	2,068	2,000
Group life insurance proceeds	85,309	44,734
Other income	287	333
Total revenue from ordinary activities	916,375	1,780,255
Expenditure from ordinary activities		
Direct member expenses		
Group life insurance premiums	116,393	111,830
Superannuation contribution surcharge	116	2,332
Other member and sub-plan specific expenses	1,489	1,167
Indirect member expenses charged to reserves		
Fund administration expense	74,102	63,748
Audit fees	252	242
Depreciation expense	1,519	1,074
Amortisation expense	33	-
Anti-detriment payments	1,323	961
Benefits paid and payable	844,211	884,617
Total expenditure from ordinary activities	1,039,438	1,065,971
Total revenue less expenditure before income tax	(123,063)	714,284
Income tax expense	56,212	129,909
Total revenue less expenditure after income tax	(179,275)	584,375
Net assets available to pay benefits at the beginning of the year	13,018,959	12,434,584
Net assets available to pay benefits at the end of the year	12,839,684	13,018,959



You look after your life. We'll look after your super.

Sunsuper Pty Ltd
ABN 88 010 720 840
AFSL No. 228975

Sunsuper Superannuation Fund
ABN 98 503 137 921
SPIN SSR 0100 AU

Contacting us is easy:

Call 13 11 84 (+61 7 3121 0700 when overseas) and
speak to a Member Service Representative
Web sunsuper.com.au
Mail GPO Box 2924 Brisbane Qld 4001
Fax 07 3016 7722

For 2009, Sunsuper has been recognised as one of Australia's leading superannuation funds by three separate independent rating organisations shown below. We have also been awarded the titles of Pension Fund of the Year 2009 and Industry Fund of the Year 2006 and 2008.



This document has been prepared on 28 August 2009 and issued by Sunsuper Pty Ltd (ABN 88 010 720 840), Trustee of the Sunsuper Superannuation Fund. While it has been prepared with all reasonable care, no responsibility or liability is accepted for any errors or omissions or misstatement however caused. All forecasts and estimates are based on certain assumptions which may change. If those assumptions change, our forecasts and estimates may also change. This document has been prepared for general information purposes only and not as specific advice to any particular person. Any advice contained in this document is general advice and does not take into account any particular person's objectives, financial situation or needs. Because of this, before acting on any advice, you should consider its appropriateness, having regard to your own particular objectives, financial situation and needs. You should obtain and consider the *Product Disclosure Statement* (PDS) before making any decision about whether to acquire or continue to hold the product. The PDS is available by contacting a Member Service Representative on 13 11 84. We are committed to respecting your privacy. Our formal privacy policy sets out how we do this. If you would like a copy of Sunsuper's privacy policy please contact us.